

(19) World Intellectual Property Organization
International Bureau(43) International Publication Date
14 December 2000 (14.12.2000)

PCT

(10) International Publication Number
WO 00/75884 A1

(51) International Patent Classification¹: G07F 7/10, 7/08 (81) Designated States (national): AE, AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CR, CU, CZ, DE, DK, DM, EE, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MA, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, TZ, UA, UG, UZ, VN, YU, ZA, ZW.

(21) International Application Number: PCT/US00/13207

(22) International Filing Date: 12 May 2000 (12.05.2000)

(25) Filing Language: English

(26) Publication Language: English

(30) Priority Data:
09/328,112 8 June 1999 (08.06.1999) US

(71) Applicant: IMAGE DATA, LLC [US/US]; 15 Charron Avenue, Nashua, NH 03063 (US).

(72) Inventors: HOUVENER, Robert, C.; 9 Blue Berry Lane, Nashua, NH 03060 (US). HOENISCH, Ian, P.; 10 Erin Lane, Salem, NH 03079 (US).

(74) Agents: SULLIVAN, James, T. et al.; Bourque & Associates, P.A., Suite 303, 835 Hanover Street, Manchester, NH 03104 (US).

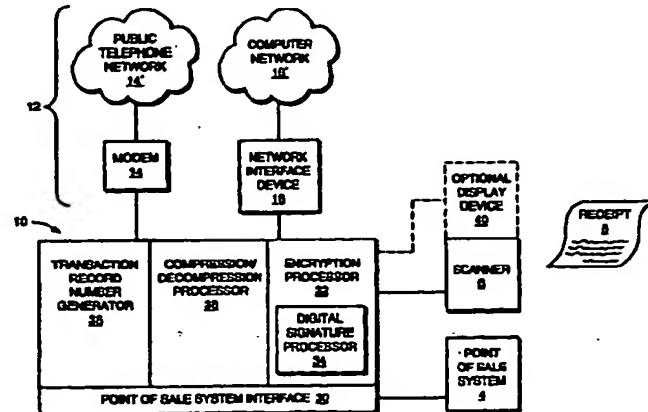
(84) Designated States (regional): ARIPO patent (GH, GM, KE, LS, MW, SD, SL, SZ, TZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).

Published:

— With international search report.

For two-letter codes and other abbreviations, refer to the "Guidance Notes on Codes and Abbreviations" appearing at the beginning of each regular issue of the PCT Gazette.

(54) Title: RECEIPT SCANNING SYSTEM AND METHOD



WO 00/75884 A1

(57) Abstract: A transaction data processing system and method is provided, which is especially configured to capture, store and retrieve transaction data, including a digital representation of a signature of a person initiating a transaction. The transaction data processing system (1) includes a scanner (6) located at a point of use location. The scanner (6) is configured to scan a transaction document (8) including the signature of at least one party to the transaction. A transaction data processor (10) is also included for processing the scanned transaction data and for generating a transaction data record. A remote database site (20) having stored therein a database (22) of transaction data records is also provided. A communications link (12) links the remote database site (20) to the transaction data processor (10), which is located at the point of use location. The method (100) includes the steps of: scanning a document related to a financial transaction (110), said document at least a signature of at least one party to the transaction; processing the scanned document and generating a transaction data record (120); linking the transaction data processor to a remote database site (130); transmitting each generated transaction data record to the remote database site (140); and storing each transmitted transaction data record in a transaction data record database (150).

BEST AVAILABLE COPY

RECEIPT SCANNING SYSTEM AND METHOD

5

RELATED APPLICATIONS

This is a Continuation-in-Part of Application Serial Number 08/967,768, filed November 10, 1997, which is a Continuation-in-Part of Application Serial Number 08/700,815, now U.S. Patent Number 5,832,464, issued November 3, 1998, which is a Continuation-in-Part of Application Serial Number 08/436,146, now U.S. Patent Number 5,657,389, issued August 12, 1997.

FIELD OF THE INVENTION

15 This invention relates to data processing system, and, more particularly, to a system and method of scanning and storing transaction documents bearing the signature of at least one party to the transaction. In one preferred embodiment the system and method is used to scan financial 20 transaction/authorization documents, including retail sales receipts bearing retail sales purchaser signatures, and transmitting and storing information obtained off of the documents electronically at a remote database site.

BACKGROUND OF THE INVENTION

25 Over the last 20 years, credit cards have gained widespread acceptance as a means of paying for goods and services. If the customer is not paying cash for a transaction but instead is charging the transaction cost to a credit card or bank account, a retailer typically may require the customer 30 to sign a charge slip as evidence that the customer is who he says he is and actually purchased or received the goods or services. Retailers commonly save and file these signed paper receipts, and, as will be more fully explained below, forward

them upon request to a credit card company or other financial institution as evidence of the transaction.

In order for a credit card transaction to be processed, a merchant must collect a variety of data associated with the 5 transaction. This data typically includes the purchase price and date of the transaction, the account number and expiration date of the credit card, and the cardholder's name and signature. Once this data is collected, the merchant transmits the transaction data, along with its merchant identification 10 code, to a credit card transaction processor. The credit card processor sorts the data according to the company that issued the credit card, and forwards the data to the appropriate company. At that point, the credit card issuer posts the transaction to the cardholder's account and the purchase amount 15 is credited to the merchant. The credit card processor facilitates the flow of information and funds between merchants and credit card issuers.

Formerly, credit card transaction data was recorded, transferred, and stored in the form of paper receipts. Over the 20 years, the credit card industry has developed various types of equipment that provides for the electronic acquisition, transmission, and storage of transaction data. In addition to reducing the industry's reliance on paper records, this equipment expedites the processing of credit card transactions 25 and minimizes errors associated with the entry of transaction data. The equipment includes point-of-sale (POS) equipment used by merchants and computer systems used by credit card processors.

Most merchants employ a cash register system of some type 30 in order to record data associated with transactions, regardless of whether payment is made with cash, check, or credit card. In addition to a cash register, merchants that accept credit cards use other POS equipment to collect data

associated with the credit card. This equipment usually includes electronic terminals that read the account number and expiration date from a magnetic stripe on the credit card and transmit the transaction data to the credit card processor.

5 Such equipment may be separate from, or integrated into, the cash register equipment.

In a typical credit card transaction, a cardholder presents a credit card to a merchant, who records transaction data using an electronic terminal. The recorded data includes

10 the amount of the purchase, the cardholder's account number, the card's expiration date, the merchant identification number, and the date of the transaction. In most cases, the cardholder is also required to sign a copy of the receipt.

Once the terminal accumulates the transaction data, the

15 terminal automatically dials the merchant's credit card processor or other authorization source and initiates an authorization request. When the transaction is authorized, the terminal displays and/or stores the approval code or authorization indicia received from the credit card processor.

20 The approval code is recorded along with the other transaction data. The POS equipment typically includes a printer that is capable of printing a sales receipt. The sales receipt includes the transaction data and approval code, and provides a space for the cardholder's signature.

25 These prior art devices allow numeric data, such as purchase price, date, account number, and merchant identification number to be easily accumulated, stored, and transmitted between the merchant and credit card processor. Consequently, numeric transaction data may be transferred and

30 stored without the use of paper receipts. Although this numeric data is sufficient to process the transaction, it may be insufficient to validate or authenticate a transaction that is disputed by the cardholder. In the event a cardholder questions

or denies the legitimacy of a transaction that appears on his or her credit card statement, it may be necessary for the merchant to produce a copy of the signed receipt as evidence that the cardholder was a party to the transaction. Therefore, 5 it is necessary that a copy of each signed receipt be retained by the merchant for some period of time.

However, the handling of signed paper receipts as evidence of a transaction has also become a significant problem. For some time now retailers and the acquiring banks have been 10 concerned with the cost in time and effort associated with dealing with the "request for copy" process. The process starts when a customer, not recognizing an item on his monthly credit card statement, calls his issuer to query the charge. The credit card company rules define the further procedures as 15 follows:

(a) the customer account is credited temporarily pending investigation;

(b) the acquiring bank (or merchant bank) is debited pending investigation;

20 (c) the retailer is asked by the acquiring bank to produce a copy of the sales slip with the customer's signature on it (about 30% of these slips are not produced by the retailer);

25 (d) if the retailer cannot produce a sales slip with a valid or legible signature he loses the revenue from the transaction. If the signature is fraudulent, either the card issuer or the retailer stands the loss;

30 (e) if the retailer produces a valid transaction record, the charge is reinstated in the customer's account and the acquiring bank is once more credited with the transaction value.

About 0.4% of all credit card transactions are challenged in this manner. With the paper-based "signature on file" process, each investigation can drag on for about four weeks

before a resolution is reached. The acquiring bank is out of pocket during this period to the extent of the value of the transaction and expends valuable time attempting to resolve the dispute. Recent rules have been introduced by Visa and 5 MasterCard which cause the issuers to provide a strong financial incentive to the acquirers to respond quickly to retrieval requests.

The retailer, in order to service the request for copy efficiently, often installs expensive microfilm systems and is 10 asked to keep copies for up to three years. To service each request someone must physically search out the copy, and regenerate an image of the transaction. If the retailer does not install such equipment it is estimated that on an average of up to 30% of the copies cannot be found and the retailer 15 loses the sale revenue under these circumstances. In order to prepare for requests for copy and to reconcile the credit card transactions with the register audit tape, all systems generate an extra copy of the transaction details which are reconciled and batched for processing each day. All this effort is quite 20 costly to the retailer.

This process of retaining and retrieving signed receipts is simplified if the merchant employs POS equipment that allows the cardholder's signature to be digitized, transmitted, and stored along with the numeric data associated with the 25 transaction. In such cases, the signature is digitized as the cardholder signs the credit card receipt. The digitized signature data and numeric transaction data are combined and transmitted to the credit card processor, where the data is stored for a predetermined period of time. If a cardholder 30 disputes the validity of a transaction, the entirety of the transaction data, including a facsimile of the signature, may be provided by the credit card processor, and may serve as evidence of the legitimacy of the transaction.

Such types of POS equipment include electronic signature capture systems, which are in use today by large retail merchants. Typically, when using such devices, a receipt or application form is placed on the signature terminal so that 5 the signature line is presented to the customer. A special attached pen is provided which allows the signature to be captured electronically at the same time it is written in ink. Thereafter the original signed receipt is given to the customer who leaves with the only piece of paper in the system. 10 Everything else has been captured electronically in a simple efficient format that can be electronically stored with the associated electronic document data. This allows for later communication to a corporate host computer or acquiring bank and easy reproduction on a laser printer.

15 Some of these signature terminals include the capability to verify the submitted signature at the point of service. However, currently the driving force behind the largest application of signature capture devices is the retailers' desire to eliminate the mountains of paper which they currently 20 store to satisfy queried credit card transactions and to minimize the probability of "losing" the receipts (and hence the transaction revenues) from these queried transactions. Large retailers installing signature capture terminals have typically generated paybacks of less than one year from the 25 savings associated with this type of investment. On the other hand, for smaller retail establishments, the initial expense associated with implementing signature capture systems has made their widespread implementation cost prohibitive.

In addition, many merchants have invested significant 30 amounts of money in POS equipment, such as sophisticated electronic cash registers, that allows the merchant to collect all of the numeric data associated with credit card transactions. In the case of larger merchants, the POS

equipment may be connected to a merchant's accounting computer system or "in-store processor" via a data communications network in order to facilitate the merchant's business operations. Although it may be advantageous to capture 5 signatures in such cases, it is not cost effective or convenient to do so if it is necessary to add additional printers or terminals that duplicate the merchant's existing capabilities.

Furthermore, a merchant's existing POS equipment may be 10 connected to peripheral devices, such as check readers for automatically-reading checking account data and PIN pads, which are used to input a debit card user's personal identification number (PIN). The existing POS equipment may not provide sufficient communications ports to allow the merchant to 15 connect additional peripheral devices.

Finally, as indicated earlier, some retailers attempt to "authenticate" the customer's signature at time of transaction by visually comparing it with a presumed authentic signature on the back of the credit card and/or on a photo ID such as a 20 driver's license. Thus, the store clerk makes a quick visual comparison between (a) a presumed-to-be-authentic signature presented by the customer, and (b) the signature the customer created on a paper charge slip in the presence of the store clerk.

25 This "authentication" technique may sometimes be successful in detecting amateur thieves, but has severe limitations that make it totally ineffective against any serious and/or intelligent thief. For example, a thief can easily avoid detection by simply practicing the signature to be 30 forged beforehand--since store clerks typically are not skilled in the art of handwriting comparison. Skillful thieves can distract the store clerk with small talk or compliments--thereby effectively destroying the effectiveness of any visual

handwriting comparisons. Moreover, many store clerks (especially those faced with a long line of anxiously waiting customers) may not be willing to take the time to make a careful visual signature comparison. Still further, a thief can 5 destroy the reliability of the entire visual inspection handwriting authentication process by presenting his own handwritten signature of an alias name as the presumed-to-be- valid signature for comparison purposes. People sometimes do not sign the backs of their credit cards as they are supposed 10 to, and a thief can easily write the credit card owner's name in the thief's own handwriting on the back of an unsigned card--which the thief can of course easily reproduce on demand on a paper charge slip. Professional thieves sometimes also forge photo IDs--completely bypassing efforts to detect fraudulent 15 transactions based on visual handwriting comparison. In addition, store clerks very seldom study the hand-written signature on the back of the card and there is thus little chance of detecting the use of a lost or stolen card.

Thus, a number of sophisticated systems have been 20 developed, which are all aimed at verifying the identity of an individual at a point of sale location. One such system is described in commonly owned U.S. Patent Number 5,657,389, the disclosure of which is fully incorporated herein by reference. In short, the '389 Patent provides a system and method of 25 positively identifying individuals, which includes at least one remote database site having stored therein digital photographic images of persons to be identified. Upon a request placed from a point of identification terminal, account information is accepted and transmitted to the remote database site, where the 30 account information is correlated to one or more digital photographic images of persons authorized to use the account. The digital photographic images are then transmitted to the point of identification terminal where they are displayed on a

display device. The clerk then compares the displayed digital photographic image(s) with the physical appearance of the person presenting the non-cash financial instrument and indicates that a match exists by entering a validation input 5 into the point of identification terminal. The validation input includes information that identifies the clerk processing the transaction. The transaction information along with the identifying information for the customer and the clerk are then stored in transaction records at the remote database site.

10 Accordingly, it would be especially advantageous to provide a system and method of capturing and storing digital representations of retail store receipts, which include signatures of purchasers, that is compatible with all existing types of POS hardware. It would also be especially 15 advantageous if such a system were compatible with a positive identification system, such as the one disclosed in the above-mentioned '389 Patent, such that a single device may be put to multiple uses.

SUMMARY OF THE INVENTION

20 A data processing system and method is provided, which in one application is especially configured to capture, store and retrieve transaction documents, including retail store receipts and electronic funds transfer (EFT) authorizations, which include a digital representation of a signature of a person 25 initiating the transaction. In one embodiment, the system is used in conjunction with a point of sale system, which is used to process non-cash financial transactions, such as credit card purchases, check-initiated EFTs and the like. The data processing system includes a scanner located at a point of use 30 location, such as a point of sale. The scanner is configured to scan a transaction document, which at least includes a signature of the person initiating the transaction.

The system also includes a transaction data processor for processing the scanned transaction document and for generating a transaction data record. Also included in the system is a remote database site having stored therein a database of 5 transaction data records.

A communications link links the remote database site including the transaction data record database to the transaction data processor, which is located at the point of use.

10 Also provided is a method of processing transaction data, which is especially tailored to facilitate the capture, storage and retrieval of financial transaction data, including a digital representation of a signature of a person initiating a financial transaction. The method begins by scanning a 15 document related to a transaction, said document including at least a signature of a person initiating a transaction, such as a non-cash financial transaction. The scanned transaction data is then processed and a transaction data record is generated by a transaction data processor. Next, the transaction data 20 processor is linked to a remote database site including a transaction data record database over a communications link.

The transaction data record(s) generated by the transaction data processor are then transmitted to the remote database site, where they are stored in the transaction data 25 record database.

DESCRIPTION OF THE DRAWINGS

These and other features and advantages of the present invention will be better understood by reading the following 30 detailed description, taken together with the drawings wherein:

Fig. 1 is an overall block diagram showing the components of a financial transaction data processing system according to the teachings of the present invention;

Fig. 2 is a more detailed block diagram showing the components of the financial transaction data processing system of Fig. 1 that are located at a point of sale location;

5 Fig. 3 is a more detailed block diagram showing the components of the financial transaction data processing system of Fig. 1 that are located at a remote database site;

Fig. 4 is a perspective view of one embodiment of a financial transaction data scanner according to the present invention;

10 Fig. 5 is a side view of the financial transaction data scanner of Fig. 4; and

Fig. 6 is a flow diagram showing a method of processing financial transaction data, especially tailored to facilitate the capture, storage and retrieval of financial transaction 15 data, including a digital representation of a signature of a person initiating a financial transaction according to the present invention.

DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENT

20 Fig. 1 shows a data processing system 1, which is especially configured to capture, store and retrieve transaction data according to the teachings of the present invention. In particular, the transaction data sought to be captured includes at least a digital representation of a signature of at least one 25 person to a transaction.

Although the following description will make specific references to credit card-based retail transactions and credit card receipts, this is but one example of a use of the disclosed system and method. The principles of the invention are equally 30 applicable to other non-cash initiated financial transactions, such as check-initiated transactions that are converted to EFTs at a point of sale location. In fact, any transaction where a transaction/authorization document bearing the signature of the

person initiating the transaction would be a likely use for the disclosed system and method. Such alternate uses include attendance verification, service receipt verification, package receipt verification and countless other applications where a 5 signed transaction document is created. Accordingly, the following description should not be read as a limitation of the invention, but as an example of a type of transaction that would benefit from the applicant's invention.

The transaction data processing system includes a 10 transaction data scanner 6, which is located at the point of use 2, such as a point of sale location. The transaction data scanner 6 is configured to scan at least a document 8 generated at a point of use location such as a retail receipt. The receipt or other document 8 may be generated by a point of sale 15 system 4. However, as will become more apparent below, the principles of the present invention are equally applicable to manually generated receipts as well as other documents.

Since the system of the present invention is especially useful in streamlining the request for copy process described 20 earlier, the document 8 must at least include a signature of the person initiating the financial transaction. In addition to the person's signature, in a retail situation, the receipt 8 may also include printed financial transaction data, such as information identifying the merchant, the nature of the 25 transaction, such as a product or service purchased, the date of the transaction, the dollar amount of the transaction and other information useful in facilitating the processing of a credit card or other financial account-initiated transaction.

The data processing system 1 also includes a transaction 30 data processor 10, also located at the point of use location 2. The transaction data processor 10 is configured to process transaction data into a transaction data record.

The system 1 also includes a communications link 12, which links the point of use location 2, including the transaction data processor 10, to a remote database site 20. The remote database site includes at least one database including a 5 database of transaction data records 22, generated by the transaction data processor 10 at the point of use location 2 and communicated to the transaction data record database 22 at the remote database site 20 over the communications link 12.

Fig. 2 shows, in more detail, the components of one 10 embodiment of the transaction data processing system 1, which is especially adapted for use in conjunction with a retail transaction at a point of sale. The data processing system 1 includes a specially configured transaction data processor 10, which is located at a point of sale location 2. In this 15 embodiment, the transaction data processor 10 includes a point of sale system interface 30, which interfaces the transaction data processor 10 to a point of sale system 4. In this regard, information regarding a particular financial transaction, such as the account number to which the transaction will be charged, 20 the amount of the transaction, the identity of the merchant, the date of the transaction, etc., which are all generated by typical prior art point of sale systems, can be provided to the transaction data processor 10 from the point of sale system 4. Thus, all this pertinent financial transaction data can be 25 merged by the transaction data processor 10 with at least one piece of information scanned off of a receipt 8 by the transaction data scanner 6 and included in a financial transaction data record.

In one embodiment, the communications link 12 may include a 30 modem 14, which interfaces the transaction data processor 10 to the remote database site 20 over the public telephone network 14'. In the alternative, a network interface device 16, which may be a WAN (Wide Area Network) device or a LAN (Local Area

Network) device, may be utilized as the communications link to link the transaction data processor 10 to the remote database site 20 over a computer network 16'. In one embodiment, the network 16' may include a local area network, which would be 5 used in connection with larger system users who would process sufficient transactions to have its own remote database site. "Remote" in this situation would mean separated from the point of use terminal. However, it would be connected to each point of use terminal over a LAN. In another embodiment, which would 10 be tailored to smaller system users, the remote database site would be truly "remote" from the user's premises and would be connected thereto over a WAN. In this embodiment, multiple system users would use a single remote database site. The WAN may be national in scale or even comprise a global computer 15 network.

In another embodiment of the invention, the transaction data processing system 1 may include an encryption processor 32 located at the point of use location 2. The encryption processor 32 may be an integral component of the transaction data processor 10 or it may be a separate, stand alone unit. 20 The encryption processor 32 is configured to encrypt each transaction data record created by the transaction data processor 10 prior to transmitting the transaction data record from the transaction data processor 10 to the transaction data record database 22 at the remote database site 20. As is shown 25 in Fig. 3, which will be more fully explained below, the remote database site may also have an encryption processor 67, for decrypting transaction data records at the remote database site 20.

30 In one preferred embodiment, the encryption processor 32 includes a digital signature processor 34 for attaching a digitally signed data element to each transaction data record before it is transmitted to the remote database site 20 over the

communications link 12. In this manner, each transaction data record created by the transaction data processor 10 may be checked for origin and authenticity at the remote database site 20.

5 The transaction record data processor 10 may also include a transaction number generator 36. The transaction record number generator will generate and attach a unique transaction record number for each transaction data record created by the transaction record data processor 10. The transaction number 10 attached to each transaction data record can be utilized by the system in order to retrieve transaction data records regarding transactions that are questioned at a later date.

The transaction data processing system 1 may further comprise a compression/decompression processor 38 at each point 15 of use location 2. The compression/decompression processor 38 would compress each transaction and data record generated by the transaction data processor 10 prior to transmitting the transaction data record from the transaction data processor to the remote database site. As will be more fully explained 20 below, each transmitted transaction data record may be stored in the transaction data record database 22 at the remote database 20 in the compressed state or, may be decompressed using a similar compression/decompression processor 69 (Fig. 3) at the remote database site 20.

25 The transaction data processing system 1 may further include a display device 40 at each point of use location 2. The display device 40 would be configured to display information scanned by the scanner 6 as well as information transmitted from the remote database site 20 to the point of sale location 2. 30 The display device may be integral with the scanner 6 unit. In the alternative, the display device 40 may be a separate, stand alone unit, such as the display device of the '389 Patent. The display device may also be a component of the point of sale

system 4, which is driven by the transaction data processor 10 to display scanned receipts and/or financial transaction data records, as well as additional information.

Fig. 3 shows the components located at the remote database site 20, which are used to implement the transaction data record database 22. In order to establish communications with the remote database site 20, the remote database site includes an input/output controller 50 via a modem bank 54 or WAN device 56, which interface public telephone network 14' or wide area network 16', respectively. In one embodiment, in order to provide security to the transaction data processing system, the controller 50 may initiate a query to the transaction data processor 10 (Fig. 1) to verify that the transaction data processor has the appropriate authority to access the remote database site 20 and is a valid/authorized device. One simple and cost effective method of performing this query is to use commonly available caller ID technology to ensure that the request for data has originated from an authorized telephone line. This method would be available if the communications link 12 (Fig. 1) linking the transaction data processor 10 to the remote database site 20 comprises the public telephone network 14'. However, additional embodiments may utilize a software key incorporated into each transaction data processor 10, as is more fully explained in commonly owned U.S. Patent No. 5,790,674, which issued August 4, 1998 and which is incorporated herein by reference.

Once controller 50 verified that the transaction data processor 10 is a valid device and has the appropriate access privilege, the transaction data processor 10 will transmit a transaction data record to the remote database site 20. The transmitted transaction data record(s) are received by the input/output controller 50 over a high speed network 52. The high speed network may be fiber distributed data interface

(FDDI), asynchronous transfer mode (ATM) or any other suitable cost effective high speed network. Each transaction data record will then be routed to one of a number of database servers 58-60, where the transaction data record will be processed. The 5 selected server would then access a set of high speed, high reliability disk arrays 62-65. The remote database site may further include an optional front-end server 66, which would be capable of integrating the transaction data processing system 1 of the present invention with additional sales transaction-10 related systems, such as the positive identification system described in the '389 Patent.

In this embodiment, the remote database site 20 would further include a database of digital photographic images of authorized users of financial accounts, such as the digital 15 photographic image database described in the '389 Patent and commonly owned U.S. Patent Application Serial No. 08/967,768, which is also incorporated herein by reference. In this embodiment, the optional front-end server 66 would include a database processor for retrieving a financial account number 20 from a financial transaction data record transmitted to the remote database site from the transaction data processor 10. The database processor would then retrieve, at least one digital photographic image of at least one authorized user of the pertinent financial account from the positive identification 25 system 68. The database processor would then transmit the retrieved digital photographic image(s) to the point of sale location 2 via input/output controller 50 and communications link 12 where the digital photographic image(s) would be displayed on the display device 40 (Fig. 2) at the point of sale 30 location 2.

Figs. 4 and 5 show one embodiment of a transaction data scanner 6 according to the teachings of the present invention. The scanner 6 would include well-known scanner technology

capable of capturing character-based data as well as image data. The invention contemplates the use of any technology capable of capturing both image and textual data, such as the standard charge coupled device (CCD) image capture devices and low cost 5 complimentary metal oxide semi-conductor (CMOS) cameras. In this manner, a "snap shot" can be taken of a sales receipt 8 or any other transaction document inserted into one or more scanner input. The scanner 6 includes a cover 70, which is preferably hinged to provide access to a scanner input platen 72. The 10 cover 70 would preferably include a window 74 through which a receipt 8, other transaction or identification document being scanned would be visible so as to preclude system users from inadvertently leaving such a scanned document in the scanner 6 after the scan is complete.

15 The scanning operation could be initiated using a micro-switch or other pressure sensitive switch (not shown) which would activate the scanner when a system user depresses the scanner cover 70. As indicated above, the scanner 6 may also include an optional display device 40, which would preferably be 20 a miniature flat panel (LCD) display. Preferably, the display panel 40 would be adjustable to allow the display to be viewed comfortably at different angles. The display device 40 could be utilized to preview a scanned image before transmitting the same to the remote database site 20. In this embodiment, the scanner 25 6 would include one or more input buttons 78, which would be utilized by a system user in operating the system. For example, a transmit button 78b would be provided to transmit a transaction data record, including information scanned by the scanner 6 provided the scanned information preview appears 30 acceptable to the system user. In additional embodiments, such as when the scanner 6 is utilized in conjunction with a positive identification system, the display panel 40 may also display digital photographic image data pertinent to particular

transactions. In this embodiment, additional user input keys, such as a scroll key 78a or any other suitable user input keys 78c may be provided.

As indicated in the '768 Application, the scanner 6 may be 5 utilized for scanning identification information as well, such as driver's licenses, passports, and other identification instruments. Such scanned identification information can be transmitted to the remote database site where it could be processed and stored in one or more identification database. 10 The scanner 6 would also be capable of scanning other financial instruments, such as checks and the like such that a single scanner 6 may be utilized in connection with other financial processing systems, such as the system for efficiently processing payments via electronic funds transfer described in 15 commonly owned U.S. Patent No. 5,832,464, which is incorporated herein by reference.

Fig. 6 shows a method 100 of processing transaction data, which, in one embodiment, especially tailored to facilitate the capture, storage and retrieval of financial transaction data, 20 including digital representations of signatures of persons initiating financial transactions. Method 100 begins by scanning a document related to a transaction, step 110. The document scanned includes at least a signature of a person initiating a transaction, such as a non-cash financial 25 instrument-initiated financial transaction (e.g. a credit card or the like). Next, in step 120, the scanned transaction data is processed using a transaction data processor to generate a transaction data record. The transaction data processor is then linked with at least one remote database site, step 130.

30 In step 140, the transaction data record generated by the transaction data processor is transmitted to the remote database site. Finally, in step 150, each transaction data record

received at the remote database site is stored in a transaction data record database.

In alternative embodiments, the method further includes providing financial transaction data from a point of sale system 5 to the transaction data processor. The transaction data processor then merges the data received from the point of sale system with the data scanned from the document related to the financial transaction. The method 100 may also include retrieving a stored transaction data record from the transaction 10 data record database at the request of a system user. Such a request could be made either manually by contacting the transaction database provider via telephone or in writing. However, the invention also contemplates electronic information 15 requests, which can be initiated by a merchant using the transaction data processing system of the present invention. Such an information request could be generated using a software module integrated into an existing computer-based point of sale system. When requesting the retrieval of a transaction data record, such a retrieved record would be transmitted from the 20 remote database site to the point of sale location where it could be displayed on a display device and printed using a printer incorporated into the point of sale system. In this manner, should a "request for copy" be made to a merchant by a credit card processor or the like, the merchant could readily 25 obtain a printed receipt, including the signature of the person initiating the financial transaction.

As indicated earlier, the method could also include encrypting transaction data records prior to transmitting them between the point of sale location and the remote database site. 30 Additionally, the transaction data records may be compressed prior to transmission and stored at the transaction database site in a compressed state. They may further be decompressed

and stored in a decompressed state in the remote transaction record database.

Digitally signed data elements may also be attached to each transaction data record prior to transmitting the same to the 5 remote database site. This would allow each transaction data record to be checked for origin and authenticity at the remote database site or at the point of sale location should a particular transaction data record be retrieved from the remote database site and provided to the point of sale location.

10 In the embodiment described above, wherein the transaction data processing system 1 of the present invention is utilized in conjunction with a positive identification system, such as the system disclosed in the '389 Patent, the method of processing transaction data would further include the steps of: storing at 15 the remote database site a database of digital photographic images of authorized users of financial accounts; retrieving a financial account number from a transaction data record transmitted to the remote database site; retrieving at least one digital photographic image of at least one authorized user of 20 the retrieved financial account number; transmitting the at least one retrieved digital photographic image to the point of sale location; and displaying the retrieved digital photographic image on a display device at the point of sale location. In this manner, the identity of the person initiating the financial 25 transaction could be positively identified, thereby further reducing the probability that fraud is being committed upon a merchant at a point of sale location.

In the situation where an individual initiates a financial transaction using a non-cash financial instrument and a digital 30 photographic image of at least one authorized user of the account associated with the instrument cannot be retrieved from the digital photographic image database, then a request for identification information is sent to the transaction data

processor from the remote database site. The information request prompts a system user to obtain an identification document from the person initiating the transaction. In the preferred embodiment, the identification document includes a 5 photographic image of the person initiating the transaction.

Then, the system user scans the identification document using the document scanner. An identification data record is then generated by the transaction data processor and is transmitted to the remote database site over the communications 10 link. Of course, encryption and compression systems and methods may be used here, too, in order to speed the transfer of information and ensure the security of the transmitted 15 information.

At the remote database site, each received identification 20 data record is stored in an identification database. In the preferred embodiment, where the identification data record includes a digitized photographic image of the person initiating the transaction, the front end server at the remote database site would further process the identification data record to obtain the digital photographic image, which it would write to the digital photographic image database for storage. Finally, the account number used to initiate the transaction would be mapped to the stored digital photographic image so that the 25 person's image can be retrieved upon subsequent transactions initiated using the account mapped to the image.

Accordingly, the disclosed system and method offers the following advantages over current signature capture systems. First, it allows a patron to sign a receipt with a normal pen either on a counter at the point of sale location or remotely 30 without effecting human factors. This would provide better customer satisfaction by maintaining an existing point of sale paradigm. In addition, valuable counter space would not be taken up by a separate signature capture pad that would be

needed by prior art signature capture systems to capture the signature of a patron. Furthermore, a scan of a transaction document would only take a few seconds, shaving valuable seconds off of the time to complete a transaction.

5 In one embodiment, the scanned data could contain all the information needed to prove the transaction took place, as opposed to having to take a raw signature and marry it up with data received from disparate sources such as a point of sale system. Thus, the present invention could be utilized by
10 merchants having less sophisticated point of sale systems. Of course, a more sophisticated embodiment of the invention could be utilized in connection with more sophisticated point of sale systems.

15 Additionally, by being removed from the traffic area of a point of sale location, the scanner of the present invention would be much less likely to be damaged than a signature pad that would be required to be placed in a high traffic area. Thus, the disclosed system would have a much higher reliability than prior art signature capture systems. Another significant
20 advantage of the present system is that a single device can optionally be used to capture additional data, such as photo ID data, demographic information, and other images such that the disclosed system can be used in fraud prevention and processing efficiency efforts. Finally, the disclosed system and method
25 makes it easy to capture the signature and other data of a patron when the patron is remote from the clerk, such as at a drive up window, safety glass station or the like.

30 Modifications and substitutions by one of ordinary skill in the art are considered to be within the scope of the present invention which is not to be limited except by the claims which follow.

What is claimed is:

CLAIMS

1. A transaction data processing system, especially configured to capture, store and retrieve transaction data, including a digital representation of a signature of a person initiating a transaction, said data processing system

5 comprising:

a transaction data scanner located at a point of use location, said scanner configured to scan a transaction document, said transaction document including transaction data including at least a signature of said person initiating said

10 transaction;

a transaction data processor for processing said scanned transaction data into a data transaction record;

a remote database site having stored therein a database including said transaction data records; and

15 a communications link, linking said transaction data processor and said remote database site.

2. The system of claim 1, wherein said transaction data processing system further comprises a point of sale system interface, for interfacing said transaction data processor to a point of sale system to allow financial transaction data generated by said point of sale system to be provided to said transaction data processor to be merged with at least one piece of information scanned off of said transaction document.

3. The system of claim 1, wherein said communications link comprises a modem interfacing said transaction data processor with said remote database site over telephone lines.

4. The system of claim 1, wherein said communications link comprises a network interface device for interfacing said

transaction data processor with said remote database site over a computer network.

5. The system of claim 4, wherein said network interface device comprises a wide area network (WAN) device and wherein 5 said computer network comprises a wide area network.

6. The system of claim 4, wherein said network interface device comprises a local area network (LAN) device and wherein said computer network comprises a local area network.

7. The system of claim 5, wherein said wide area network 10 comprises a global computer network.

8. The system of claim 1, wherein said transaction data processing system further comprises an encryption processor at each of said point of point of sale location and remote database site for encrypting each said transaction data record 15 prior to transmitting said transaction data record from said transaction data processor to said remote database site and for decrypting said transaction data record at said remote database site.

9. The system of claim 8, wherein said encryption 20 processor further comprises a digital signature processor for attaching a digitally signed data element to each said transaction data record to allow each said transaction data record to be checked for origin and authenticity.

10. The system of claim 1, wherein said transaction 25 record data processor further comprises a transaction record number generator for generating and attaching a unique

transaction record number for each transaction data record created by said transaction record data processor.

11. The system of claim 1, wherein said transaction data processing system further comprises a
5 compression/decompression processor at each of said point of use location for compressing each said transaction data record prior to transmitting said transaction data record from said transaction data processor to said remote database site.

12. The system of claim 1 further comprising a display
10 device at said point of use location for displaying information scanned by said scanner and information transmitted from said remote database site to said point of use location.

13. The system of claim 12, wherein said display device is integral with said scanner.

15 14. The system of claim 12, wherein said remote database site further includes a database of digital photographic images of authorized users of financial accounts and a database processor for retrieving a financial account number from a transaction data record transmitted to said remote database
20 site, retrieving at least one digital photographic image of at least one authorized user of said retrieved financial account number and for transmitting said at least one retrieved digital photographic image to said display device at said point of sale location.

25 15. A method of processing transaction data, especially tailored to facilitate the capture, storage and retrieval of transaction data, including a digital representation of a

signature of a person initiating a transaction, at a point of use, said method comprising the steps of:

scanning a document related to a transaction, said document including transaction data including a signature of a 5 person initiating said transaction;

processing at least said scanned transaction data and generating a transaction data record;

linking said transaction data processor with at least one remote database site;

10 transmitting said transaction data record generated by said transaction data processor to said remote database site; and

storing each transaction data record received at said remote database site in a transaction data record database.

15 16. The method of claim 15 further comprising the step of providing financial transaction data from a point of sale system to said transaction data processor and merging said data received from said point of sale system with said data scanned from said document.

20 17. The method of claim 15 further comprising the step of retrieving a stored transaction data record from said transaction data record database at the request of a system user.

18. The method of claim 15, further comprising the step 25 of encrypting each said transaction data record prior to transmitting each said transaction data record from said transaction data processor to said remote database site.

19. The method of claim 17, further comprising the step of decrypting each said transaction data record prior to

storing each said transaction data record in said transaction record database at said remote database site.

20. The method of claim 15, further comprising the step of compressing each said transaction data record prior to 5 transmitting each said transaction data record from said transaction data processor to said remote database site.

21. The method of claim 20, further comprising the step of decompressing each said transaction data record prior to storing each said transaction data record in said transaction 10 data record database.

22. The method of claim 15 further comprising the step of attaching a digitally signed data element to each said transaction data record prior to transmitting each said transaction data record from said transaction data processor to 15 said remote database site to allow each said transaction data record to be checked for origin and authenticity.

23. The method of claim 17 further comprising the steps of transmitting each said retrieved transaction data record from said remote database site to said transaction data 20 processor.

24. The method of claim 23 further comprising the steps of displaying said retrieved transaction data record received from said remote database site on a display device at said point of use.

25. The method of claim 23 further comprising the steps of printing said retrieved transaction data record received from said remote database site at said point of use.

26. The method of claim 15 further comprising the steps of:

storing, at said remote database site a database of digital photographic images of authorized users of financial accounts;

retrieving a financial account number from a transaction data record transmitted to said remote database site;

retrieving at least one digital photographic image of at least one authorized user of said retrieved financial account

number;

transmitting said at least one retrieved digital photographic image to said point of sale location; and

displaying said retrieved digital photographic image on a display device at said point of use.

27. The method of claim 26 further comprising the steps of:

sending a request for identification information to said transaction data processor if no digital photographic images of at least one authorized user of said financial account number is retrieved;

scanning an identification document using said document scanner;

generating an identification data record at said transaction data processor;

transmitting said identification data record to said remote database site; and

storing said identification data in an identification database.

28. The method of claim 27, wherein said identification document includes a digital photographic image of said person

37. The method of claim 35, wherein said receipt document indicates that said person has received a service.

1/5

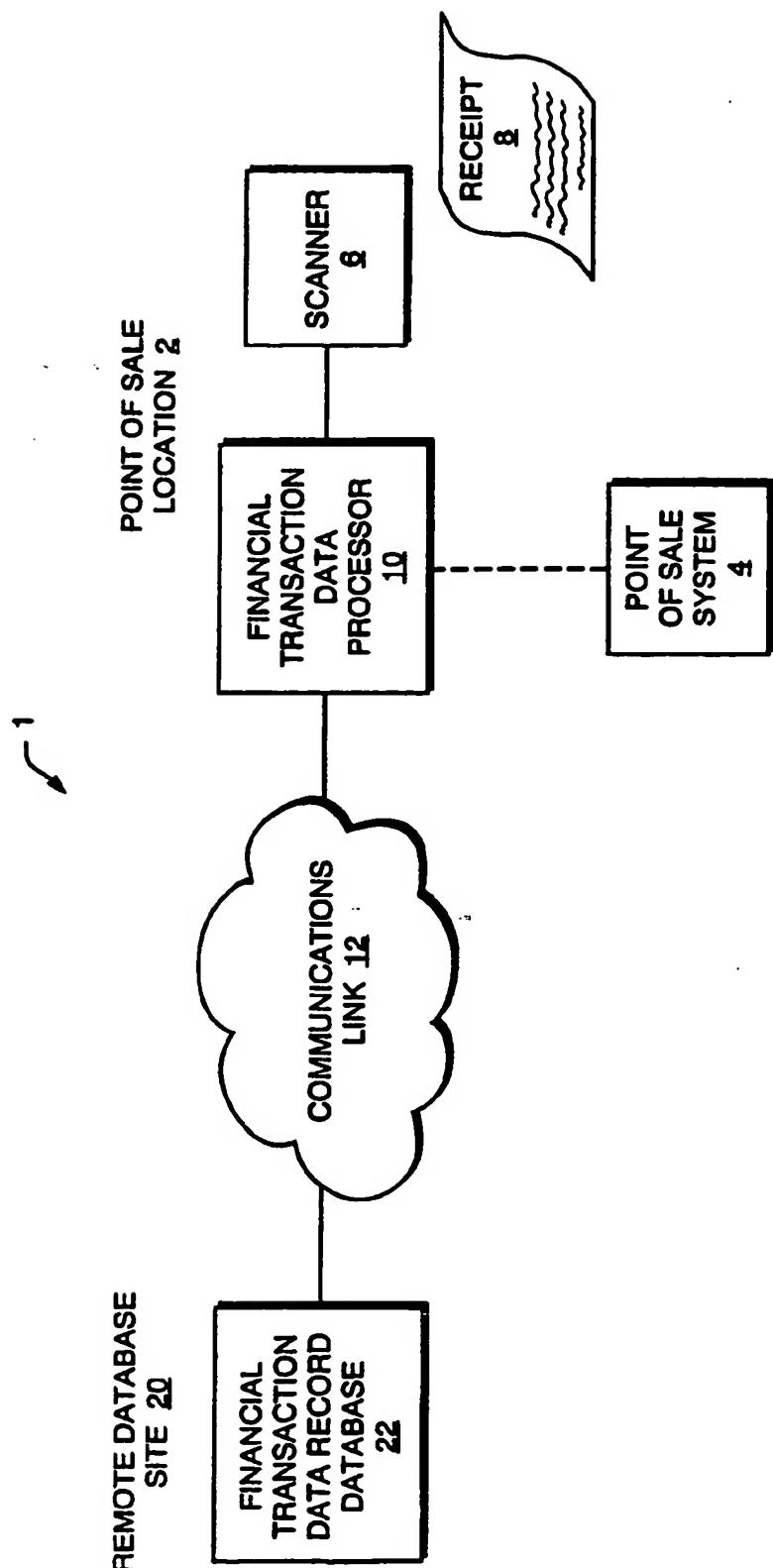


FIG. 1

2/5

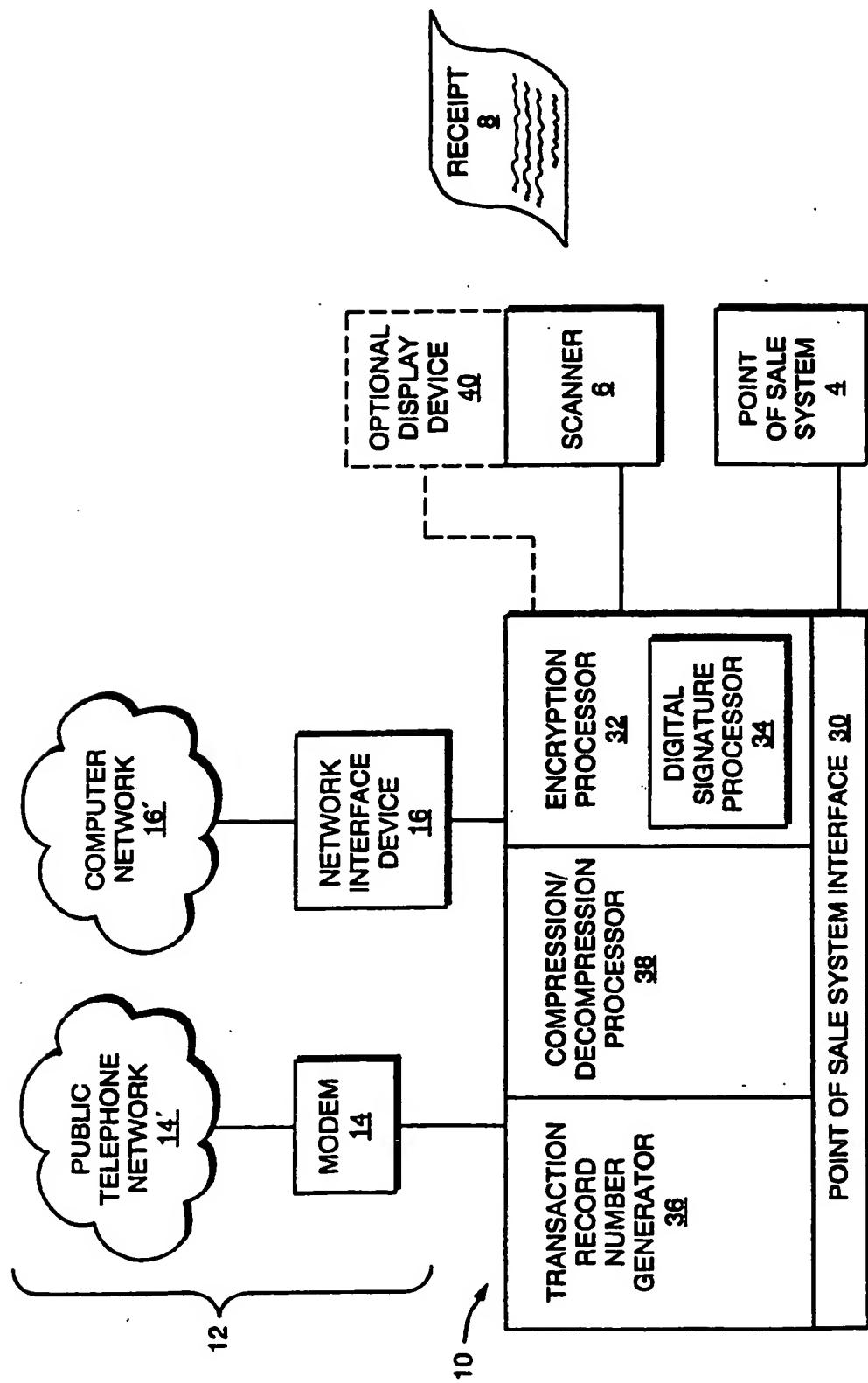


FIG. 2

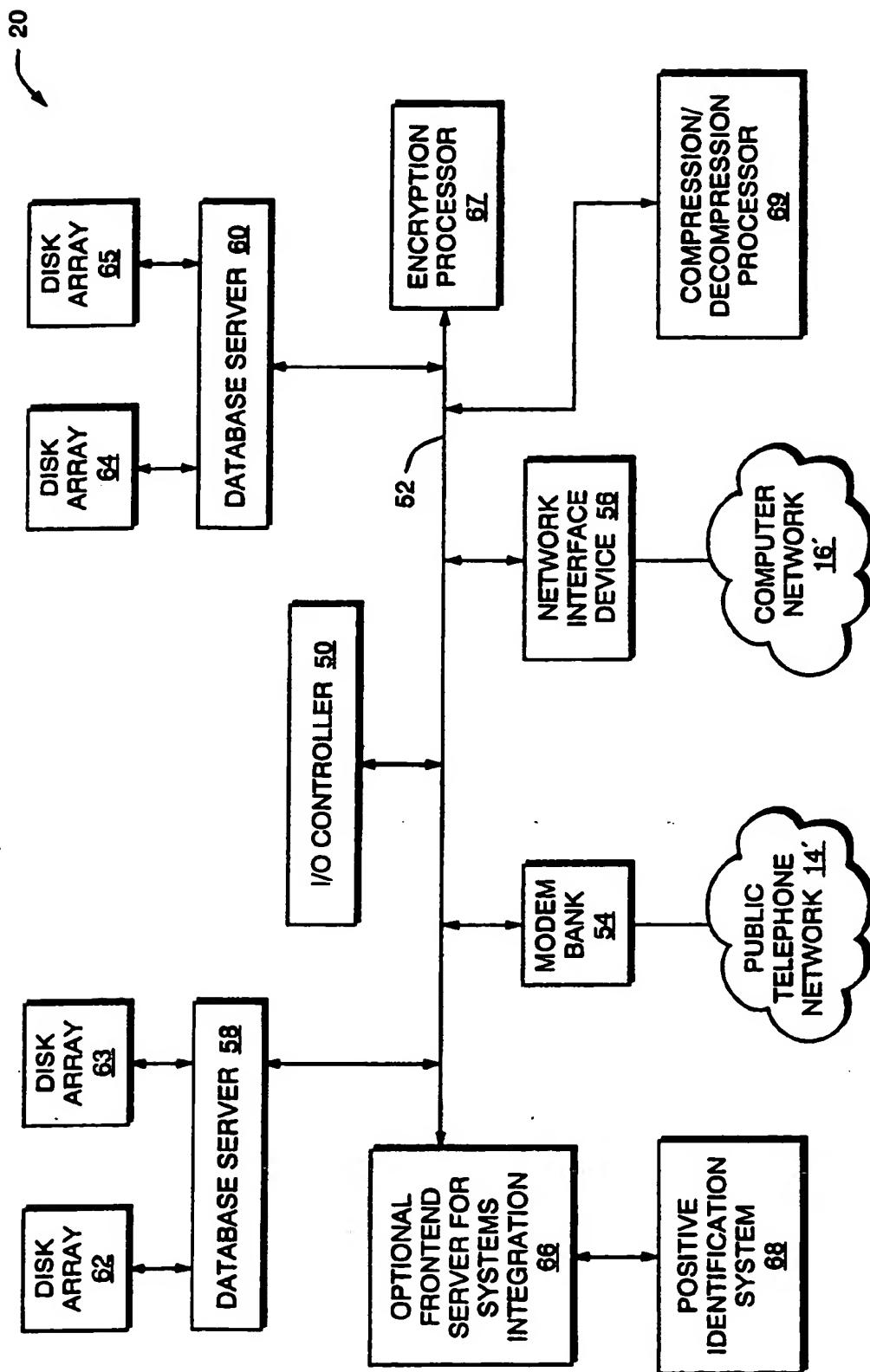


FIG. 3

4/5

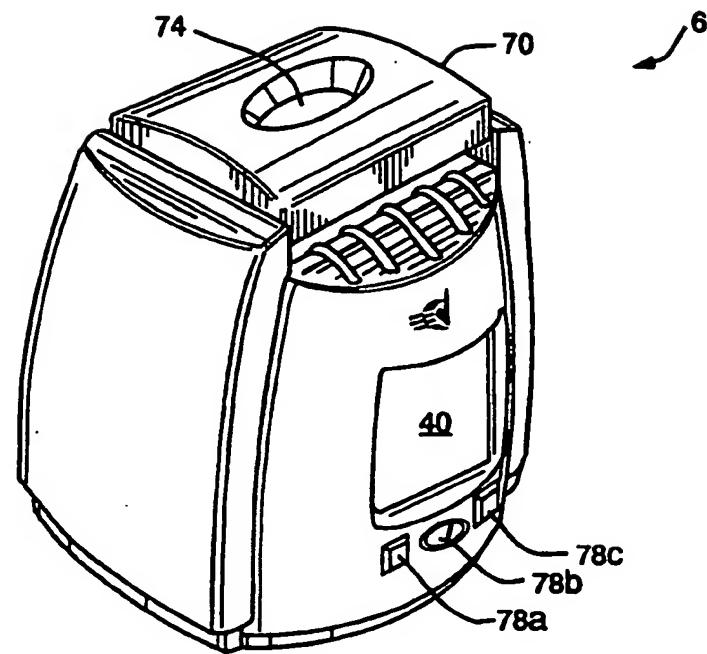


FIG. 4

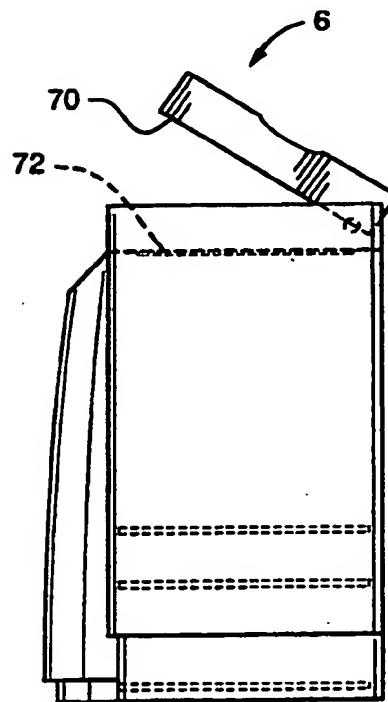


FIG. 5

5/5

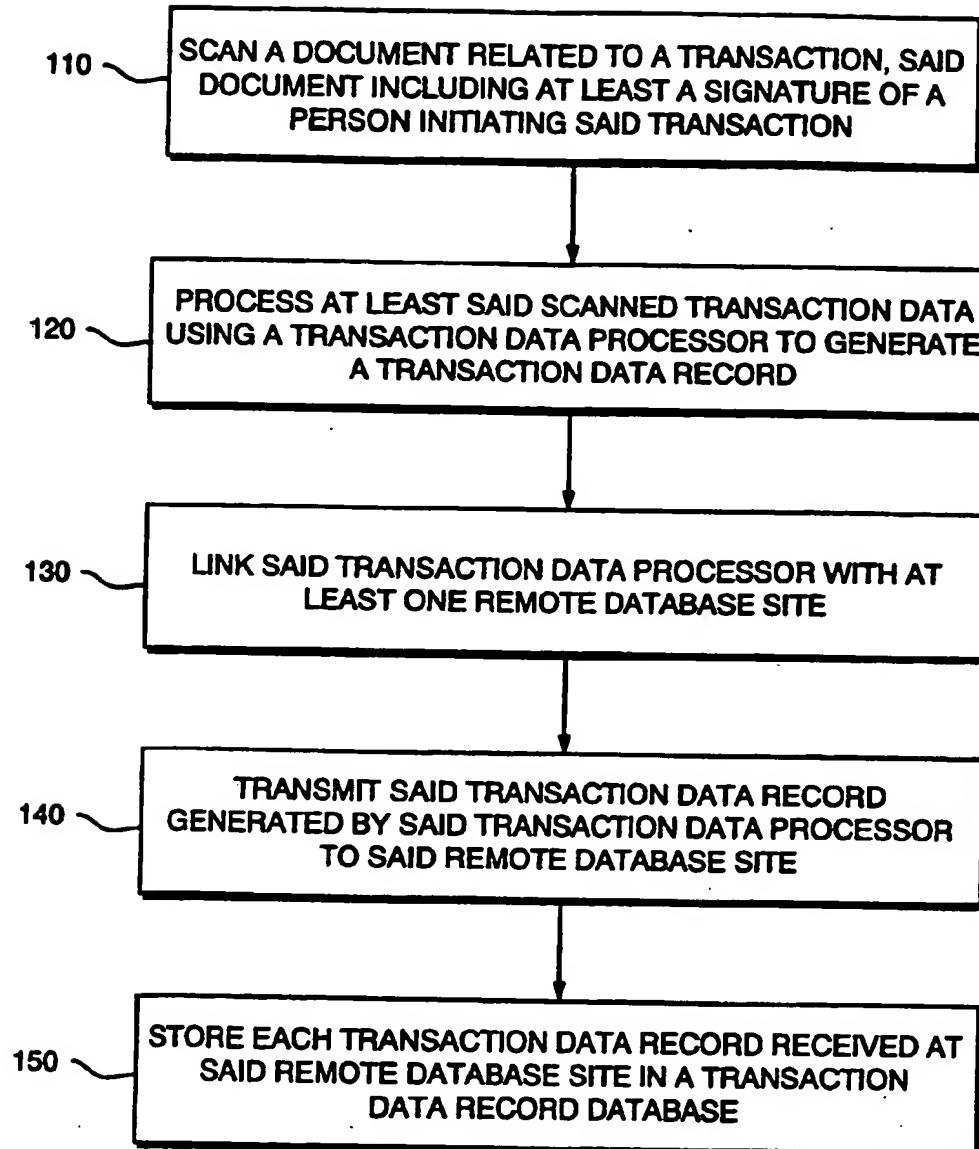
100

FIG. 6

A. CLASSIFICATION OF SUBJECT MATTER
IPC 7 G07F/10 G07F/08

According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)
IPC 7 G07F G07G G07C

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electrode data base consulted during the international search (name of data base and, where practical, search terms used)

EPO-Internal, WPI Data, PAJ

C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	EP 0 831 436 A (IMPROX DATENVERARBEITUNG) 25 March 1998 (1998-03-25) column 5, line 37 - line 45 column 6, line 33 - line 56; figure 2	1,4,12; 13,15, 23,24,29
Y		2,3,5,8, 11,14, 16-21, 26,30-38
Y	US 5 561 282 A (PRICE ET AL.) 1 October 1996 (1996-10-01) column 4, line 41 -column 5, line 24 column 9, line 12 - line 19 column 21, line 32 - line 48 column 22, line 38 - line 42	2,11,16, 17,20, 21,30-38
		-/-

 Further documents are listed in the continuation of box C. Patent family members are listed in annex.

* Special categories of cited documents :

- "A" document defining the general state of the art which is not considered to be of particular relevance
- "E" earlier document but published on or after the International filing date
- "L" document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)
- "O" document referring to an oral disclosure, use, exhibition or other means
- "P" document published prior to the International filing date but later than the priority date claimed

"T" later document published after the International filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention

"X" document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone

"Y" document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art.

"8" document member of the same patent family

Date of the actual completion of the International search

Date of mailing of the International search report

10 August 2000

18/08/2000

Name and mailing address of the ISA

European Patent Office, P.B. 5618 Patentlaan 2
NL - 2280 HV Rijswijk
Tel. (+31-70) 340-2040, Tx. 31 651 epo nl,
Fax: (+31-70) 340-3018

Authorized officer

Schofield, C

INTERNATIONAL SEARCH REPORT

Information on patent family members

International Application No

PCT/US 00/13207

Patent document cited in search report		Publication date		Patent family member(s)	Publication date
EP 0831436	A	25-03-1998		AT 405219 B AT 163796 A AT 183841 T DE 59700365 D	25-06-1999 15-10-1998 15-09-1999 30-09-1999
US 5561282	A	01-10-1996		US 5448044 A	05-09-1995
US 5832464	A	03-11-1998		US 5657389 A AU 702919 B AU 5677196 A CA 2220414 A CN 1183186 A EP 0824815 A JP 11509015 T WO 9636148 A US 6070141 A US 5790674 A US 6040783 A	12-08-1997 11-03-1999 29-11-1996 14-11-1996 27-05-1998 25-02-1998 03-08-1999 14-11-1996 30-05-2000 04-08-1998 21-03-2000
WO 9911021	A	04-03-1999		US 5910988 A US 6032137 A AU 9035198 A EP 1008086 A NO 20000917 A ZA 9807796 A	08-06-1999 29-02-2000 16-03-1999 14-06-2000 26-04-2000 01-03-1999
EP 0822523	A	04-02-1998		JP 10091770 A	10-04-1998
US 5774663	A	30-06-1998		US 5899982 A	04-05-1999

**This Page is Inserted by IFW Indexing and Scanning
Operations and is not part of the Official Record**

BEST AVAILABLE IMAGES

Defective images within this document are accurate representations of the original documents submitted by the applicant.

Defects in the images include but are not limited to the items checked:

- BLACK BORDERS**
- IMAGE CUT OFF AT TOP, BOTTOM OR SIDES**
- FADED TEXT OR DRAWING**
- BLURRED OR ILLEGIBLE TEXT OR DRAWING**
- SKEWED/SLANTED IMAGES**
- COLOR OR BLACK AND WHITE PHOTOGRAPHS**
- GRAY SCALE DOCUMENTS**
- LINES OR MARKS ON ORIGINAL DOCUMENT**
- REFERENCE(S) OR EXHIBIT(S) SUBMITTED ARE POOR QUALITY**
- OTHER: _____**

IMAGES ARE BEST AVAILABLE COPY.

As rescanning these documents will not correct the image problems checked, please do not report these problems to the IFW Image Problem Mailbox.